

**S E C R E T**  
DEPARTMENT OF STATE  
EXECUTIVE SECRETARIAT  
Senior Interdepartmental Group

June 1, 1966

Record of Agreements and Decisions

Meeting of May 31, 1966

Present:

The Under Secretary of State  
(Chairman)  
The Deputy Secretary of Defense  
The Chairman, Joint Chiefs of Staff  
The Director, CIA  
The Deputy Director, USIA (for Mr. Marks)  
The Deputy Administrator, AID (for Mr. Bell)  
The Deputy Under Secretary of State for Political  
Affairs  
The Special Assistant to the President,  
Mr. Walt W. Rostow  
The Staff Director  
  
Commerce - Secretary Connor  
Treasury - Under Secretary Barr  
Ex-Im Bank - Mr. Sauer  
EUR - Mr. Stoessel  
E - Mr. Solomon

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A) Export-Import Bank Loan for Fiat-Russian Plant

Agreed:


- a) That the Export-Import Bank loan to IMI would be in U.S. interest;
- b) that the Export-Import Bank should seek repayment terms of five years plus a grace period comparable to that offered the Russians by the Italians;

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- 2 -

- c) that State should prepare a paper for the President setting forth all the alternatives in addition to the foregoing position adopted by the SIG;
- d) that, if the President agrees, appropriate members of the Congress be informed, without implying there is any legal obligation to do so;
- e) that State should prepare a talking-point paper for use with certain members of Congress, including key members of the Ways and Means, Finance, Banking and Currency, Foreign Relations, and Appropriations Committees;
- f) that both papers should set forth the relevance of the loan to IMI to the proposal for the licensing for export from the U.S. to the USSR of a sheet steel mill that would produce sheet steel suitable for automobile manufacture;
- g) that, as of further assistance to these presentations, CIA in collaboration with E, Mr. Anthony Solomon, will prepare a study of U.S. and certain Western European countries for the purpose of showing a curve of investments accompanying or following a sharp rise in automobile production, and the resource implications thereof.

  
Harry H. Schwartz  
Staff Director, SIG

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The Staff Director  
  
ARA - Mr. Sayre  
NASA - Mr. Frutkin

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B) Antigua Deep Water Port

Mr. Walter Sauer said that the Export-Import Bank will finance half the cost if the other half is financed by another agency, or agencies.

It was agreed:

- a) That the U.S. should fulfill its obligation to finance the project;
- b) Defense will re-examine the possibilities of being of assistance in this respect;
- c) that SIG will consider the matter again at its next meeting.